

Attendance

Members of the Scrutiny Board

Cllr Paul Sweet (Chair)
Cllr Philip Bateman MBE
Cllr Val Evans
Cllr Rita Potter
Cllr Wendy Thompson
Cllr Simon Bennett
Cllr Susan Roberts MBE
Cllr Zee Russell
Cllr Ellis Turrell (Vice-Chair)
Cllr Barbara McGarrity QN
Cllr Louise Miles
Cllr Udey Singh
Cllr Jacqueline Sweetman

In Attendance

Cllr Obaida Ahmed (Cabinet Member for Resources and Digital City)

Employees

Martin Stevens DL (Scrutiny Team Leader)
Tim Johnson (Chief Executive)
David Pattison (Chief Operating Officer)
Emma Bennett (Executive Director of Families)
Claire Nye (Director of Finance)
Charlotte Johns (Director of Strategy)
Richard Lawrence (Director of Regeneration)
Alison Shannon (Chief Accountant)
Lee Booker (Scrutiny Officer)

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Apologies for absence**
There were no apologies for absence.

- 2 **Declarations of interest**
Cllr Phil Bateman declared a non-pecuniary interest for item four – 2023-2024 Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026, as a Director of Birmingham Airport, as the Chair of Ashmore Park and Phoenix Nursery School Board of Governors, and he was Acting as a Chair of the Board of Governors of Wood End Primary School (from 27 April).

3 Minutes of the meeting held on 6 December 2022

Resolved: That the minutes of the meeting held on 6 December 2022 be approved as a correct record and signed by the Chair.

4 2023-2024 Draft budget and Medium Term Financial Strategy 2023-2024 to 2025-2026

The Cabinet Member for Resources and Digital City introduced the report on the 2023-2024 Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026. It had been a particularly difficult time to prepare a balanced budget due to the high levels of inflation impacting on the Council, residents and businesses. In order to set a balanced budget they had to increase Council Tax.

The Director for Finance commented that the report contained information on the feedback from the Scrutiny Panels, which over the Autumn period and into the New Year had looked at performance and budget information relating to their remit. She gave a presentation summarising the main points of the report, a copy of which is attached to the signed minutes. The presentation slides on the Draft Budget gave information on the following areas:-

- The Provisional Settlement.
- Draft Inflation and Growth.
- Information relating to the budget in Adult Social Care.
- The Draft Net budget by Service.
- Council Tax – It was necessary to increase the Council Tax by 4.99% in order to set a balanced budget. The net forecast budget was £306.1 million.
- Key Risks and uncertainties in 2023-2024 and MTFS, which included cost of living and rising inflation and an increase in demand for services such as in Adult Social Care.
- Efficiency Targets – Wherever possible these targets would be distributed prior to the 1 April 2023 and would be monitored throughout the year through the quarterly monitoring reports.
- The Strategy to manage risks in 2023-2024. The budget was based on prudent assumptions supported by detailed modelling and benchmarking with peers. Corporate Contingencies were held to mitigate the impact of expected inflation and demand but where the probability and impact were not sufficiently known to build into service budgets. Reserves were held to mitigate the impact of specific risks and also against unforeseen events.

The Director of Finance presented slides on the future challenge for the Medium Term Financial Strategy (MTFS). The Funding Settlement was for one-year only. The Provisional Settlement was based on the Spending Review 2021 funding levels,

updated for the 2022 Autumn Settlement. There were high level assumptions for 2024-2025, the National figures had been published for some grants such as Social Care, but not for all the grants that the Council received.

The Director of Finance stated that the following assumptions had been made in the MTFS on funding:-

- Council Tax would increase by 2.99% - in line with the referendum threshold and 1.99% thereafter.
- Adult Social Care precept levy – 2% for 2023-2024 and 1% for 2024-2025.
- The Business Rates retention scheme would continue with no detrimental impact of a Business Rates reset or changes to the retention scheme.
- Top Up grant would increase by inflation over the medium term.

The Director of Finance remarked the following medium term assumptions has been made:-

- The draft forecast deficit was around £16.4 million in 2024-2025, rising to around £22.9 million by 2025-2026.
- There continued to be uncertainty about future funding.
- The MTFS projections were based on a number of assumptions and estimates and took a prudent view on the financial position. Detailed work to continue to refine these assumptions would take place during 2023-2024.
- The Council would continue to review emerging pressures and particularly in relation to Adult Social Care.

The Director of Finance remarked that in order to maintain a 5% reserve for next financial year it was proposed that £1.6 million be transferred from the Budget Strategy Reserve.

The Vice-Chair praised the financial settlement from Government which he described as generous. The Council was raising the Council Tax to the maximum they could without having to hold a public referendum. He felt there were other ways which could be used to help prevent the increase.

A Member of the Panel asked about the Bert Williams Café. He believed the café area at the Bert Williams Centre was now empty. It was a large space which the Council owned. He asked what the future plans were for the space and whether the area would be leased out. He was aware that the Council had used the space for various events in recent times. The Director of Finance responded that Officers would respond in writing to the Councillor.

Members asked questions about why some of the budget figures had increased. Explanations were given by Officers. It was confirmed that the budget pressure on street lighting would have been higher had the programme to introduce LED lighting

not gone ahead. The savings from the LED lighting had been factored into the budget.

A Panel Member asked for a breakdown of pay related growth in the Corporate Accounts and the extra costs due to inflation for utilities. The Director of Finance confirmed she was happy to respond with the figures in writing.

A Panel Member praised the work that had been completed to put forward a balanced budget for the financial year ahead.

A Panel Member spoke on the changing national situation with three Prime Ministers in a short time. A balanced budget was an achievement to be recognised. He also spoke about the recent report from external auditors which had found no evidence of significant weaknesses in the Council's arrangements for ensuring that it made informed decisions and properly managed risk.

There was a debate about the role of external auditors and their remit. The Chief Operating Officer stated that he would ask Grant Thornton to explain their role at the next Audit and Risk Committee.

The Vice-Chair asked for the figures on what the income was for the financial year 2022- 2023 on markets and car parking before any topping up from the Council budget. The Director of Finance responded she would write to Board Members with the information.

A Panel Member spoke on the opportunity for change that a balanced budget brought, this enabled a plan for the future. She spoke on the investment opportunities that the refurbished Civic Halls would bring to the City. The Director of Regeneration responded that AEG were expecting 300,000 plus visitors per annum to the Halls and £10 million annually to come into the local economy per annum, from when it opened in June 2023.

The Vice-Chair asked if in person public consultations would take place again in the future on the Budget and Medium-Term Financial Strategy. The Director of Finance responded that attendance had been low in the past when they had been held a few years ago. Ongoing conversations with local people about the budget linked to priorities was now the current methodology with a whole suite of engagement activity taking place over the year.

Members debated how to engage members of the public and businesses using different methods to attract greater responses. One of the ideas was to link consultation on the budget and Council priorities with other events of high local public interest.

Resolved: That the 2023-2024 Draft Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026 report be noted.

5 **Our City: Our Plan Refresh**

The Director of Strategy gave a presentation on the Our City: Our Plan Refresh, a copy of which is attached to the signed minutes. The Our City: Our Plan was the Council's Strategic Framework for Levelling Up. The Our City: Our Plan was reviewed annually. The refresh had included:-

- Strategic Narrative: New Policy areas captured e.g. cost of living crisis.
- Objectives and Outcomes: Consistent with previous version.
- Key Activity: Activity Updated.
- Performance Framework: Changes to Performance indicators where required due to exceptional circumstances.

The Director of Strategy remarked that the plan had been developed through extensive engagement with local people. The key principles in the 2023/2024 Performance framework were as follows: -

- All indicators were published in the plan and did not change throughout the year unless there were exceptional circumstances.
- Indicators were classified by system / Council to make clear where the Council had less direct overall control on performance.
- Reporting was on a quarterly basis, and reference targets, historical data and benchmarking wherever data was available.
- Reporting on a quarterly basis would continue to be alongside financial performance and the strategic risk register, to Cabinet and Scrutiny Board.

The Director of Strategy summarised the changes which were being made to performance indicators as detailed in the slides.

Members asked questions about engagement and consultation. The Director of Strategy responded that there were a number of different mediums used. Surveys was one of the methods used. In the final report to Cabinet, before Full Council, she would provide further information on the response rate and methods used.

The Vice-Chair gave the view that he felt the Our City: Our Plan could be more ambitious. As an example, he stated the Plan could give a target for reducing youth unemployment by a certain percentage by next year.

A Panel Member raised the importance of a thriving local economy within the Council's Wards. She wanted to see monitoring and evaluation of the strategic impact of the Council on economic growth in the Wards. The Director of Strategy responded that the performance management approach was continuing to mature in terms of the data and how Power Bi dashboards were being used to allow Councillors to view the data in an accessible way. Where possible they would try and be able to show data in a ward-by-ward format.

A Panel Member asked how the Council was utilising the fame of successful sports persons in the City to encourage others to live active and healthier lifestyles. He also asked about alcohol problems in specific communities and what the Council was doing to help address the problem. Finally, he asked what promotion the Council did to encourage people to keep places tidy and clean and clean up after dogs.

The Executive Director of Families referred to the work which Schools undertook in contacting sports persons directly to work with them. The Council also invited sports stars to the Children and Young People in Care Awards. She was aware that some of the youth organisations in the City had also reached out to professional sports persons from Wolverhampton. The Council were currently developing a strategy on physical activity which she was sure could be received by one of the Scrutiny Panels in the future.

The Director for Strategy remarked that she was well aware that different communities were impacted differently with certain problems. The Healthy lifestyles survey was attracting thousands of responses and EDI information was an integral part of the survey. She would follow up on the dog fouling question. The Scrutiny Team Leader advised that the Residents, Housing and Communities Scrutiny Panel would be considering alcohol harm in the City at their next meeting on 16 February 2023.

A Panel Member asked about Yoo Recruit and the Council's plans for the future. The Chief Operating Officer advised that a report on Yoo Recruit would be received by the Resources and Equality Scrutiny Panel in March 2023.

A Member of the Panel commented that the Our City: Our Plan, whilst it mentioned partnerships, it did not specifically mention volunteering or specific events like Wednesfield in Bloom or local clubs. He praised, The Queen's Award for Voluntary Service and the amount of volunteer groups in the City which had received the national honorary award. He felt this needed to be included as part of the overall plan. Voluntary groups were encouragingly working together to create youth clubs again in the City.

The Director of Strategy acknowledged that the voluntary and community sector were key partners in the City who carried out vital work. In the Healthy Inclusive Communities Priority there was a broad objective about the Council wanting to support and grow the community and voluntary sector. She acknowledged there could be more detail in the report to emphasise the importance of the voluntary and community sector and took this on board for a future report.

A Panel Member raised the importance of post 16 qualifications. The executive Director for Families endorsed the Member's view.

A Panel Member raised a concern about the businesses on Victoria Street in the City Centre. She asked about the financial support which a consultant was looking into. The financial support seemed to have been time limited to June 2022 and not until the end of December 2022. The Director of Regeneration responded that there had been a number of meetings with the Council and the businesses concerned. It had been agreed at an early session the parameters for the dates of payments in consultation with the businesses. He would respond in writing as to whether there had been further representations from businesses about the payment dates and any plans to change the dates.

Resolved: That the Our City: Our Plan Refresh be endorsed.

6 **Forward Plan of Key Decisions**

There were no comments raised on the Forward Plan of Key Decisions.

7 **Scrutiny Work programme**

The Vice-Chair stated he was pleased to see that an item on the Levelling up round 2 bids had been added to the Scrutiny Work Programme. A Member of the Panel added that she thought the report should include full details on all the bids that had been submitted and which one's had been granted or refused.

The Vice-Chair also commented that he had asked for an item on the use of the City's Hotels for accommodating asylum seekers.

8 **Date of Next Meeting**

The date of the next scheduled meeting of Scrutiny Board was confirmed as 7 March 2023 at 6pm. The Chair indicated that due to the size of the proposed agenda for the 7 March meeting, there could be a need to have a second meeting in March of the Board. Members would be notified in due course if a second meeting was required.

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